



9/18/03

MESSAGE FROM THE HOUSE

SB 393 (Kuipers)

RAISE CHARTER SCHOOL CAP (IN DETROIT ONLY)

The bill was changed in the House to allow for the creation of 15 additional charter schools in the city of Detroit. Also, there was no action taken to limit the ability of Bay Mills to charter additional schools.

- The Senate had the bill returned from the Governor. They then had enrollment vacated and concurrence reconsidered.
- The Senate did not concur with the House changes to SB 393 [RC 425: 0 yes, 38 no].

FINAL PASSAGE

HB 4764 (Huizenga)

The bill is a response to a situation where a Michigan-based corporation, Taubman Centers, is trying to fend off a hostile takeover. As passed by the House and Senate committee, HB 4764 is a two-sentence bill that basically reverses the Federal judge's interpretation of the Michigan control shares acquisition act. The effect of the bill is to allow all shareholders to vote on the takeover tender offer, even if a "group" had been formed relative to that tender offer.

Support: Taubman, Michigan Manufacturers Assoc., Michigan Retailers Assoc., individual corporations such as Pulte Homes (tending to be those in which founding families retain ownership). Chamber of Commerce. Michigan Attorney General.

Opposed: Simon/Westfield. Indiana Attorney General. Several professors of business law. SEIU. -- The bill interferes with an ongoing legal battle that is better left to the courts. The bill harms shareholders by allowing boards to become entrenched. The bill may actually make it easier for takeovers.

- Kuipers 1 and 2 were withdrawn.
- Kuipers 3 (S-1) was defeated [no RC]. Kuipers asked to have the defeat of his amendment reconsidered. His motion was defeated [no RC].
- Kuipers 3A was adopted [no RC]. This was a technical change to Kuipers' substitute.
- Johnson 4 was defeated [no RC]. This would change the effective date.
- HB 4764 was moved to 3rd Reading.
- HB 4764 passed with IE [RC 426: 24 yes, 14 no].